



SUNNYVALE

2009-2014 HOUSING ELEMENT



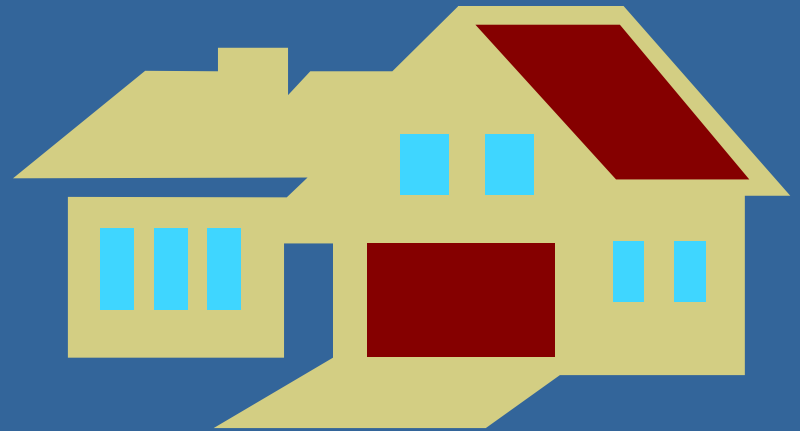
COURTESY: CITY OF SUNNYVALE



Community Meeting
December 4, 2008

Presentation Overview

- **Why the Housing Element?**
- **Sunnyvale Housing Needs**
- **Regional Housing Needs Assessment (RHNA)**
- **Current Housing Programs**
- **Roundtable Discussion**
- **Next Steps**



Purpose of Workshop

- *Solicit input from residents and housing providers on Sunnyvale's housing and community revitalization needs*
- *Inform the public about the Housing Element update and continued opportunities for involvement*



Housing Terminology

- **HCD** – State Housing and Community Development Dept
- **Affordable Housing Cost** – No greater than 30% gross household income on housing costs
- **AMI** – Area Median Income (County)

Income Category	State Definition	2008 Threshold (4 person hh)
Extremely Low	0 – 30% AMI	\$31,850
Very Low	31 – 50% AMI	\$53,050
Low	51 – 80% AMI	\$84,900
Moderate	81 – 120% AMI	\$126,600

What is the Housing Element?

- Part of City's General Plan
- 4 Major Components:
 - ❖ Housing Needs Assessment
 - ❖ Evaluation of Constraints to Housing
 - ❖ Identification of Residential Sites
 - ❖ 5 Year Program Strategy to Address Needs
- Updated every 5 years (*8 years after this Element*)
- State HCD review for "certification"
- ✓ Sunnyvale's 2002 Housing Element certified by HCD



Benefits of HCD Compliance

- **Presumption of legally adequate Housing Element**
- **If courts invalidate, suspend City's authority to issue building permits / approve projects**
- **Maintain local discretion over affordable housing**
- **Eligibility for State housing & related infrastructure funds**
- **Not subject to cumulative RHNA**



Demographics

Modest population growth

- ✓ **1990-2000: 12% ↑ in population**
- ✓ **2000-2008: 4% ↑ in population to 137,500**

Age Characteristics

- ✓ **Young Adults (25-44) largest segment (41%)**
- ✓ **Growing Senior Population (11%)**

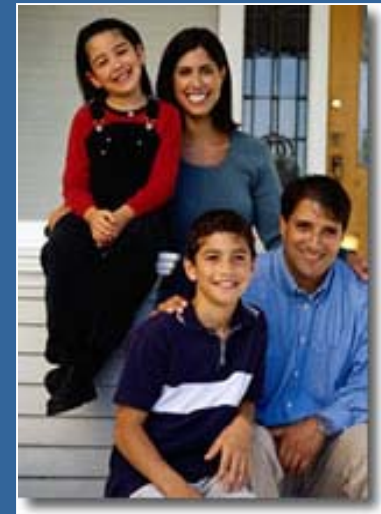


Changing Household Composition

- ✓ **28% families with children**

Increase in ethnic diversity

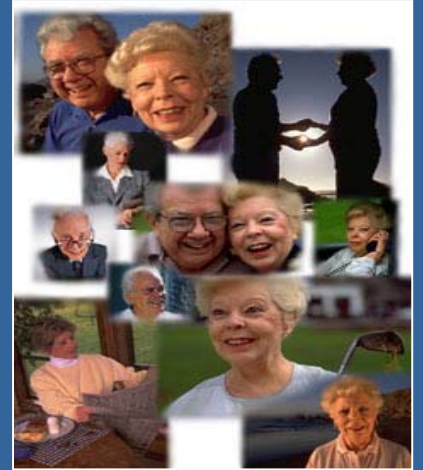
- ✓ **32% Asian population**
- ✓ **15% Hispanic population**



Special Needs Populations

14,000 Senior Citizens (age 65+)

- 40% are lower income
- 25% are renters, 70% renters lower income
- 40% have a disability
- 40% live alone



4,400 Large Households (5+ members)

- 50% are renters
- 25% of renters are lower income
- Shortage of 3+ bedroom apartments



Special Needs Populations

17,000 Persons with Disabilities (13%)

- 1/3 of disabled age 21-64 not employed
- Seniors comprise 1/3 City's disabled



640 Homeless Population (2007 County Census)

- Significant ↑ from 420 homeless people counted in 2005
- 1/4 City's homeless people in shelters, 3/4s unsheltered
 - ✓ 541 individuals
 - ✓ 18 persons in families
 - ✓ 81 persons in cars or encampments



Housing Trends

55,400 Housing Units (2008)

- 49% ownership opportunity
- 45% apartments
- 7% mobilehome (*recent loss of 2 parks/ 96 spaces*)

Modest Decline in Homeownership

- 51% homeowners in 1980
- 48% homeowners in 2000

Recent Housing Growth

- 2,625 new units since Jan 2000
- 40% owner, 60% rental



Housing Costs (2008)



Median Apartment Rents

- ❖ Studio - **\$1,023**
- ❖ 1 bdrm - **\$1,668**
- ❖ 2 bdrm - **\$2,068**
- ❖ 3 bdrm - **\$2,408**

3% vacancy rate

Few studio or 3 bdrm units



For-Sale Market

- ❖ 640 single-family homes sold - **\$845,000** median
- ❖ 383 condominiums sold - **\$615,000** median

Rental Affordability

	Studio	1 Bdrm	2 Bdrm	3 Bdrm
Very Low Income Rent	\$924	\$1,055	\$1,187	\$1,319
Low Income Rent	\$1,478	\$1,688	\$1,900	\$2,100
Mod Income Rent	\$2,217	\$2,532	\$2,850	\$3,165
Sunnyvale Rent	\$1,023	\$1,668	\$2,068	\$2,408
Affordable to Whom?	Low Income	Low Income	Mod Income	Mod Income

Homeowner Affordability Gap

Moderate Income (120% AMI)

Median 3 Bdrm Condominium \$687,000

Median 3 Bdrm Single-Family \$780,000

*Max Affordable Housing Cost
(4 person household)* *\$ 500,000*

HOMEOWNER AFFORDABILITY GAP

Condominiums *\$ 187,000*

Single-Family Home *\$ 280,000*



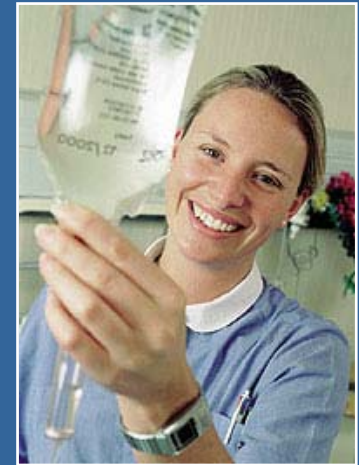
Homeowner Affordability Gap

Low Income (80% AMI)

Median 3 Bdrm Condominium \$687,000

Median 3 Bdrm Single-Family \$780,000

*Max Affordable Housing Cost
(4 person household)* *\$ 320,000*



HOMEOWNER AFFORDABILITY GAP

Condominiums *\$ 367,000*

Single-Family Home *\$ 460,000*



Who in Sunnyvale Needs Affordable Housing?

- People who work in Sunnyvale and can't afford to own here
 - ✓ Public safety officers, teachers, children of long-time residents
- People who work in Sunnyvale and can't afford to rent here
 - ✓ Administrative support, retail workers, childcare providers, healthcare workers
- Special needs households
 - ✓ Senior citizens, disabled persons, single-parent households, large households
- Very low income families



Regional Housing Needs (RHNA)

- Cities must zone for fair share of region's housing need – based on State population growth
 - ❖ **State needs approximately 220,000 new units annually**
- Mix of housing for all economic segments
- Linked to zoning and density
- RHNA = Planning Targets,
NOT Building Quotas



Sunnyvale's 2007-2014 RHNA

Income Level	2008 Income Limits	RHNA Units	"Default Density"
Very Low (<50% AMI)	\$53,050	1,073	Minimum 30 du/acre
Low (51-80% AMI)	\$84,900	708	
Moderate (81-120% AMI)	\$126,600	776	Minimum 15 du/acre
Above Moderate (>120% AMI)	> \$126,600	1,869	No density minimum
Total		4,426	

Potential Affordable Rental Projects

- Fair Oaks Senior Housing
 - **Min. 120 extremely to very low income rental units**
 - **Adjacent Valley Health Center**
- 2 Homeless affordable housing developments
 - **Minimum 92 extremely low income rental units**
 - **Related to Onizuka Base conversion**
- San Aleso
 - **20 family units**



Current Housing Programs

BELOW MARKET RATE (BMR) HOUSING

BMR Homeownership Program

- ✓ 12.5% of new for sale homes reserved for low/mod (120% AMI)
- ✓ Sales price is affordable to low income households (80% AMI)
- ✓ Down Payment Assistance Loans Available to Buyers
- ✓ First Time Home Buyer Education Required for Purchasers
- ✓ Individual Development Accounts – IDAs for Low Income Buyers

BMR Rental Program

- ✓ 15% of new apartments are reserved for low income renters
- ✓ Rents are limited to be affordable to households at 70% AMI



Current Housing Programs

NON-PROFIT AFFORDABLE RENTAL HOUSING

- ✓ City provides housing funds to non-profit agencies for construction, rehabilitation, acquisition and/or preservation of affordable rental housing
- ✓ Agencies leverage with state, federal and private funds
- ✓ Affordability targeted to households earning up to 60% AMI (extremely low to low income)

OTHER HOMEOWNERSHIP PROGRAMS

- ✓ Downpayment Assistance Loans for first time, low income buyers working within the City

Current Housing Programs

HOME IMPROVEMENT LOANS

Single Family Rehab Loans - Up to \$60,000 to fund deferred maintenance, repairs, health and safety code corrections, and general improvements for low income homeowners

Energy Efficiency Loans - Up to \$25,000 to increase energy efficiency, including appliances, heating systems, windows, weatherization for low income households

Mobile Home Rehab Loans - Low interest loans up to \$15,000 to correct health and safety problems in mobile homes

Multifamily Rental Rehab Loans – over 51% of units must serve low income households

Next Steps

Workshop with Housing Providers	Feb 5 (afternoon)
Community Workshop	Feb 5 (evening)
Preliminary Draft Housing Element	Mid Feb
Joint Study Session City Council/Planning Commission/Housing and Human Services Commission	Late Feb
Revised Draft Housing Element	Early March
<i>60 day HCD Review</i>	March – April
Final Draft Housing Element	May
Public Hearings	May – June
Housing Element Adoption/ Submittal to HCD	June